

WASHINGTON METROPOLITAN AREA TRANSIT COMMISSION

WASHINGTON, D. C.

ORDER NO. 2482

IN THE MATTER OF:

Served October 4, 1983

Application of AIRPORT LIMO, INC., )  
for Authority to Increase Rates )

Case No. AP-83-52

On September 12, 1983, Airport Limo, Inc., filed its WMATC Tariff No. 13 proposing to cancel its currently effective WMATC Tariff No. 12. 1/ The tariff proposes to increase most special operations rates and charter rates (but see footnote 1) to become effective October 13, 1983. A summary of the proposed changes follows:

SPECIAL OPERATIONS

Current Fare

Proposed Fare

Between

Washington National Airport and  
Dulles International Airport

\$7.75

\$8.75

Washington National Airport and  
Washington, D. C.

Capital Hilton Hotel

\$3.25

\$4.25

Washington Hilton Hotel

3.25

4.25

Sheraton Washington Hotel

3.75

4.75

Zone 1 (Formerly "Zone 5")

6.25

7.25

Zone 2 (Formerly "Beyond Zone 5")

6.25

7.25

Plus \$1/mile Plus \$1/mile

Washington National Airport and  
Virginia

Holiday Inn, Tyson's Corner

\$7.00

\$8.00

Ramada Inn, Tyson's Corner

7.00

8.00

Sheraton Hotel, Tyson's Corner

7.00

8.00

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1/ The proposed rate changes do not include charges for hotel service contained in Supplement Nos. 1 and 3 to WMATC Tariff No. 12. In addition, the currently effective charter rates contained in Supplement No. 2 to WMATC Tariff No. 12 are the same as those reflected as proposed rates in Tariff No. 13.

Dulles International Airport and  
Washington, D. C.

Capital Hilton Hotel	\$7.75	\$8.75
Washington Hilton Hotel	7.75	8.75
Sheraton Washington Hotel	8.00	9.00
Zone 1 (Formerly "Zone 5")	8.75	9.75
Zone 2 (Formerly "Beyond Zone 5")	8.75	9.75
	Plus \$1/mile	Plus \$1/mile

CHARTER OPERATIONS 2/

Van -- Rate per Hour	\$ 25.00	\$ 25.00
Minimum Charge	58.00	58.00
Bus -- Rate per Hour	40.00	40.00
Minimum Charge	125.00	125.00

In support of its application Airport Limo filed financial exhibits which are available for inspection at the office of the Commission. However, it is not clear as to what charter rate was used in calculating the charter revenue figures used in the year-to-date income figures as well as the annualized income figures. Similarly, since the airport-hotel service contained in Supplement Nos. 1 and 3 to Tariff No. 12 is not included in the proposed tariff and the revenue from that service is not listed in the projected passenger revenue used to calculate the applicant's operating ratio, the Commission has insufficient information to make a determination regarding approval of the proposed tariff.

Airport Limo asserts that on an annualized basis it shows an operating loss of \$152,676 <sup>3/</sup> for the 12-month period ending October 31, 1983. A pro forma income statement for the 12-month period ending October 31, 1984, indicates an operating loss of \$142,500 at current tariff rates and net income of \$51,961 <sup>3/</sup> at its proposed rates for an operating ratio of 98.38 percent.

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<sup>2/</sup> Currently effective charter rates are those contained in Supplement No. 2 to Tariff No. 12. See also Order No. 2338, served May 18, 1982. The "current" rates described in Airport Limo's application, however, are those contained in Tariff No. 12 prior to the change effective in Supplement No. 2

<sup>3/</sup> These figures reflect only WMATC revenues and expenses, not financial data generated by operations subject to regulation by the State Corporation Commission of Virginia.

Title II, Article XII, Section 6(a)(1) of the Compact authorizes the Commission to suspend any fare, regulation or practice at any time prior to the effective date thereof. In considering whether such fare, regulation or tariff shall be suspended, the Commission must consider, inter alia, the financial condition of the carrier, its revenue requirements, and whether the carrier is being operated economically and efficiently. Further, the Compact, Title II, Article XII, Section 6(a)(2) mandates that fares, regulations or practices relating thereto must be just, reasonable, and not unduly preferential either between riders or sections of the Metropolitan District. Subsections (a)(3) and (a)(4) list additional considerations, including the need, in the public interest, of adequate and efficient transportation service by a carrier at the lowest cost consistent with the furnishing of such service, and the opportunity for a carrier to earn a net return of at least 6.5 percent after all taxes properly chargeable to transportation operations.

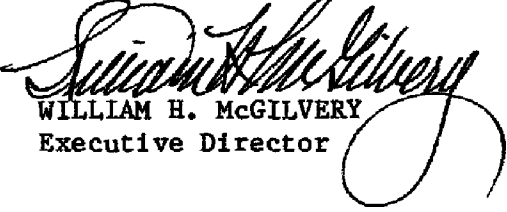
Airport Limo will be required to post notice of its proposal in its vehicles and publish notice in a newspaper of general circulation in the Metropolitan District. Any person desiring to comment on the proposed fare increase may do so as directed below.

**THEREFORE, IT IS ORDERED:**

1. That Airport Limo, Inc., publish once in a newspaper of general circulation in the Metropolitan District notice of this application in the form prescribed by the Commission's staff, no later than Tuesday, October 11, 1983.
2. That Airport Limo, Inc., post notice of this application conspicuously in each of its vehicles operating in revenue service, such posting to be accomplished not later than Tuesday, October 11, 1983, and maintained through Monday, October 17, 1983.
3. That Airport Limo, Inc., provide the Commission an affidavit of the required publication and posting no later than Friday, October 21, 1983.
4. That any person desiring to protest the application shall file a protest in accordance with Commission Rule No. 14 and any person desiring to be heard may so notify the Commission, in writing, on or before Wednesday, October 19, 1983, by delivering six copies of said protest or notice to Washington Metropolitan Area Transit Commission, Suite 316, 1625 I Street, N.W., Washington, D. C. 20006, and simultaneously serving one copy on counsel for applicant, Lawrence D.

Levien, Esquire, Akin, Gump, Strauss, Hauer & Feld, 1333 New Hampshire Avenue, N. W., Suite 400, Washington, D. C. 20036.

FOR THE COMMISSION:

  
WILLIAM H. MCGILVERY  
Executive Director